

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 696

Short Title: Debts to Judgment Debtors/Pay to Sheriff. (Public)

Sponsors: Representative Ford (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Judiciary II.

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE SOME OR ALL OF CERTAIN PAYMENTS TO JUDGMENT DEBTORS AGAINST WHOSE PROPERTY AN EXECUTION HAS BEEN ISSUED TO BE MADE TO THE SHERIFF RATHER THAN TO THE JUDGMENT DEBTOR.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 1-359 reads as rewritten:

"§ 1-359. Debtors of judgment debtor ~~may~~ shall satisfy execution.

After the issuing of an execution against ~~property,~~ property and the presentation of a copy of that execution by the sheriff, all persons indebted to the judgment debtor, or to any one of several debtors in the same judgment, ~~may pay~~ who make a payment on that debt, shall make as much of that payment as is necessary to satisfy the execution to the sheriff ~~the amount of their debt, or as much thereof as is necessary to satisfy the execution; and the~~ rather than to the judgment debtor. The sheriff's receipt is a sufficient discharge ~~for the amount paid of the debtor's obligation to the judgment debtor for the amount paid.~~ Failure to make payment to the sheriff shall not be a violation of this section where the person making payment did not have knowledge of the execution and no demand for payment of the execution was made by the sheriff. Payment of the amount owed to the judgment debtor by the person indebted to the judgment debtor after receiving a demand for payment from the sheriff under the execution shall subject the person indebted to a penalty in the amount of either the full amount due on the judgment and execution or the amount paid on the debt to the judgment debtor, whichever is less. This penalty shall be applied to the satisfaction of the judgment and execution under which the demand for payment was made."

**SECTION 2.** This act becomes effective October 1, 2015.

